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SHINGALA, B. EXAMINER

ART UNIT	PAPER NUMBER
2311	7

DATE MAILED: 07/14/94

This is a communication from the examiner in charge of your application.
COMMISSIONER OF PATENTS AND TRADEMARKS

☒ This application has been examined ☒ Responsive to communication filed on 4/13/94 ☐ This action is made final.

A shortened statutory period for response to this action is set to expire 3 month(s), — days from the date of this letter.
Failure to respond within the period for response will cause the application to become abandoned. 35 U.S.C. 133

Part I THE FOLLOWING ATTACHMENT(S) ARE PART OF THIS ACTION:

1. ☐ Notice of References Cited by Examiner, PTO-892.
2. ☐ Notice re Patent Drawing, PTO-948.
3. ☐ Notice of Art Cited by Applicant, PTO-1449.
4. ☐ Notice of Informal Patent Application, Form PTO-152.
5. ☐ Information on How to Effect Drawing Changes, PTO-1474.
6. ☐ _____

Part II SUMMARY OF ACTION

1. ☒ Claims 1-8 are pending in the application.

Of the above, claims _____ are withdrawn from consideration.

2. ☐ Claims _____ have been cancelled.

3. ☐ Claims _____ are allowed.

4. ☒ Claims 1-8 are rejected.

5. ☐ Claims _____ are objected to.

6. ☐ Claims _____ are subject to restriction or election requirement.

7. ☐ This application has been filed with informal drawings under 37 C.F.R. 1.85 which are acceptable for examination purposes.

8. ☐ Formal drawings are required in response to this Office action.

9. ☐ The corrected or substitute drawings have been received on _____. Under 37 C.F.R. 1.84 these drawings are ☐ acceptable, ☐ not acceptable (see explanation or Notice re Patent Drawing, PTO-948).

10. ☐ The proposed additional or substitute sheet(s) of drawings, filed on _____ has (have) been ☐ approved by the examiner, ☐ disapproved by the examiner (see explanation).

11. ☐ The proposed drawing correction, filed on _____, has been ☐ approved, ☐ disapproved (see explanation).

12. ☐ Acknowledgment is made of the claim for priority under U.S.C. 119. The certified copy has ☐ been received ☐ not been received
☐ been filed in parent application, serial no. _____; filed on _____

13. ☐ Since this application appears to be in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under Ex parte Quayle, 1935 C.D. 11; 453 O.G. 213.

14. ☐ Other

EXAMINER'S ACTION

1. This Office action is responsive to communication filed April 13, 1994. Claim 1 and newly added claims 2-8 remain pending.
2. Applicant states in the remark on page 5 that claims 1-10 are pending and that claims 2-10 have been added in this application. Applicant is incorrect because claims 2-8 have been added in the amendment filed April 13, 1994, and therefore, claims 1-8 remain pending.
3. The rejections of claim 1 under 35 U.S.C. § 102(b) and 35 U.S.C. 112, second paragraph are withdrawn due to the amendment.
4. 35 U.S.C. § 101 reads as follows:

"Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter or any new and useful improvement thereof, may obtain a patent therefore, subject to the conditions and requirements of this title".

Claims 1-8 are rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory subject matter, in particular, a method of doing business.

The reasons for this rejection remain the same as stated in the previous Office Action.

Applicant's arguments filed 4/13/94 have been fully considered but they are not deemed to be persuasive.

Claims reciting a method of doing business do not fall within the statutory classes set forth in 35 U.S.C. 101. See Hotel Security Checking Co. v. Lorraine Co., 160 Fed 467 (1908), In re Wait, 24 USPQ 88 (CCPA 1934), Loew's Drive-In Theaters v. Park-In Theaters Inc., 53 USPQ 376 (CCPA, 1942), In re Patton, 81 USPQ 149 (Court of Appeals, 1st Circuit, 1949), and Ex parte Murray, 9 USPQ

2d 1819 (PTO Bd. Pat. App. & Int'f, 1988).

The present set of claims 1-8 pertain generally to "means" (or steps) for evaluating insurability risks of an individual. These are functions normally performed by an insurance agent, and thus may be characterized as a method of doing business.

The "means for" claim construction does not render the claims statutory in view of decisions expressed in In re Maucorps, 203 USPQ 812, In re Walter, 205 USPQ 408 and Ex parte Akamatsu, 22 USPQ 2d 1915. E.g., see Walter, 205 USPQ at 397:

"If the functionally-defined disclosed means and their equivalents are so broad that they encompass any and every means for performing the recited functions, the apparatus claim is an attempt to exalt form over substance since the claim is really to the method or series of functions itself. In computer-related inventions, the recited means often perform the function of "number crunching" (solving mathematical algorithms and making calculations). In such cases the burden must be placed on the applicant to demonstrate that the claim is truly drawn to the specific apparatus distinct from other apparatus capable of performing the identical functions.

The nominal recitation of computer hardware likewise does not render the claims statutory in view of Ex parte Akamatsu, 22 USPQ 1915 (1992) decision:

"A common factor in Maucorps, Walter, Pardo, Abele, and meyer, was that the disclosed apparatus in the specification was apparently a known type of stored program digital computer . . . The fact that the disclosed apparatus was a known computer was apparently evidence that the invention was really in the process embodied in a computer program rather than in the apparatus" (emphasis added).

"That the apparatus distinguishes over a general purpose computer is considered to be a key factor in cases involving mathematical algorithms".

The same reasoning is set forth in the earlier Supreme Court

decision Gottschalk, Commr, Pats. v. Benson, 175 USPQ 673 (1972):

"The mathematical formula involved here has no substantial practical application except in connection with a digital computer, which means that if the judgement below is affirmed, the patent would wholly pre-empt the mathematical formula and in practical effect would be a patent on the algorithm itself."

It is the position of the examiner that, considering the widespread use of computers to perform business functions, the nominal recitation of a computer to perform a business function fails to define a "specific apparatus distinct from other apparatus capable of performing the identical functions" (as required by Walter). The nominal recitation of a computer may rule out pre-emption with respect to a "pencil and paper" mode of performing business, but leaves intact the issue of "practical pre-emption" (as defined by Benson).

Recitation of a computer should not shroud the issues of this case. General purpose computers are simply tools in performing a business function in the same genre as pencil, paper, handheld calculator, etc. On this basis, examiner respectfully submits that the recitation of a computer in a claim should be treated in the same light as these other "de-mystified" business tools.

Response to Applicant's remarks:

Applicant contends that the court decision relating to a method of doing business and places emphasis on a computer system that implements a method of doing business. Applicant cites In re Johnson 425 U.S. 219 (1976); In re Toma, 575 F.2d 872, In re Phillips, 608 F.2d 876 (CCPA 1979); Paine, Webber v. Merrill Lynch,

Pierce, 564 F. Supp. 1358, 1369 (D. Del. 1983).

As to applicant's comments regarding the above court cases, the examiner agrees that the system and apparatus claims have sometimes been afforded greater patentable weight in the court in reference to the method of doing business issue.

Furthermore, the examiner contends that the above court cases present a different fact situation than the present set of claims. In Johnson, involved an automatic financial-record keeping system utilizing a digital computer; Toma, involved a method of operating a digital computer to translate language; Phillips involved a computer apparatus for preparing printed architectural specification, and Paine, Webber involved securities brokerage-cash management system. The above decision cannot be said in the present set of claims, where the underlying field of endeavor is simply gathering information from an individual and providing suggestions for that individual to improve their health. The facts and circumstances surrounded the court cases cited are different and therefore, are clearly distinguished for the reasons given above.

4. The following is a quotation of 35 U.S.C. § 103 which forms the basis for all obviousness rejections set forth in this Office action:

A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention

was made.

Subject matter developed by another person, which qualifies as prior art only under subsection (f) or (g) of section 102 of this title, shall not preclude patentability under this section where the subject matter and the claimed invention were, at the time the invention was made, owned by the same person or subject to an obligation of assignment to the same person.

Claims 1-8 are rejected under 35 U.S.C. § 103 as being unpatentable over DeTore et al. (4,975,840).

As per claim 1, DeTore et al. discloses a computer system for evaluating a patentably insurable risk. The system comprises an application database which includes a survey for gathering information pertaining to an individual's health and medical test; an entry means for inputting the gathered information (fig. 1, element 16); a memory for receiving and storing the gathered information (fig. 1, element 12); and assigning weight and risk value to the stored information (col. 41, lines 48-64). DeTore et al. further discloses determining the total of weight and risk value and comprising the ~~total~~⁴¹ values to the pre-defined values on the same claims (col. 42, lines 55-63) and a message or suggestion is provided for improving health and decreasing risk (col. 2, lines 31-38, cols. 20-21, "Treatment" section and cols. 35-36. The system also determines the level of nurance risk and communicating the level of risk (col. 18, lines 11-32). DeTore et al. fails to recite the information gathered from an individual also includes the lifestyle of an individual. However, a medical result is based on the lifestyle of an individual. However, a medical data result

is based on the lifestyle of an individual. For example, certain behavior pattern on lifestyle have direct effect on individuals medical status. It would have been obvious to one of ordinary skill in the art at the time the invention was made to include lifestyle as an independent category along with medical and health data gathered by Savar. Motivation to do so would be to quantively assign weight and risk value to the lifestyle for the reasons of influencing insurance rate.

Claim 2 recites the risk values assigns negative values for actions that increase insurance risk values assigns negative values for actions that increase insurance risk and positive values for actions that decrease insurance risks. However, it is well known to one of ordinary skill in the art of evaluating insurance risk that assigning positive and negative values to the risk indicates the strengths and liability of an individual.

As per claim 3, DeTore et al. discloses a memory to store underwriter information (fig. 1, elements 24 and 26).

As per claim 4, DeTore discloses a questionnaire memory to store questionnaire and an individual can select appropriate response to lifestyle questions (col. 12, line 50 through col. 13, line 3).

Claims 5-6 recite specific behavioral or lifestyle conditions of an individual such as food intake of an individual, tobacco use, alcohol use and pregnant individuals. These are necessary information which are taken into consideration by an insurance

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agent. It would have been obvious to one of ordinary skill in the art to include individual's lifestyle information when buying an insurance with the motivation of better determining the insurable risk for that individual.

Method claim 7 is similar in scope to system claim 1, and are therefore rejected under similar rationale.

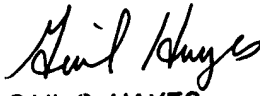
As per claim 8, DeTore et al. discloses the gathered information includes providing individual with questionnaire (col. 12, lines 62-66). It is obvious if a set of questions are provided to the individual, responds or answers should be received.

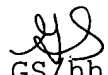
5. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

The cited prior art articles disclose various computer system for determining insurance risk of each individual.

6. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Gita Shingala whose telephone number is (703) 305-9777.

Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 305-3800.


GAIL O. HAYES
PRIMARY EXAMINER
GROUP 2300


GS/hh
July 13, 1994